

BUDGET SUPPLEMENT FORM - Fiscal Year 2004/2005Service Number: DPR-55 & 70Service Description: Tournament Services - Sunnyvale & Sunken Gardens Golf Courses

PROGRAM	Golf Operations and Services - 645		
SERVICE DELIVERY PLAN	Golf Shop Services - 64504 & 64508		
TOTAL CHANGE IN FUNDING	\$ -		
	FISCAL IMPACT	TOTAL CURRENT COSTS	TOTAL PROPOSED COSTS
	\$	\$ -	\$ -

**DESCRIBE THE EFFECTS OF THE CITY COUNCIL'S PRELIMINARY POLICY DIRECTION
REGARDING THIS SERVICE OR CHANGE TO SERVICE LEVEL.**

While Tournament Customer, Sales and Reservations Services could be reduced by 5% or more, the result would provide less green fee income for the golf courses and consequently the Community Recreation Fund. These services provide for support tasks (solicitation letters, processing applications and managing tee reservations) for the tournaments that are key in retaining market priced portions of the golf play mix at the course. A reduction in tournament services would result in fewer tournaments played and result in fewer paid market rate fees. This would occur as most tournaments are made up of players that do not purchase discount cards, but pay full fees. However, Council has expressed interest in creating a new fee for tournament play to help offset the service costs. Staff has included new fees with the FY 2004-05 budget for this purpose. Since Tournament Contracts are approved in September each year, staff would recommend that the new fee be applied at the start of the 2005 golf season - April 1, 2005. This charge would offset some of the costs to provide the Tournament Customer Services noted and could be adjusted in future years as market conditions change and golfers reception of new fees is measured. Proposed fees are \$2.00 for Sunnyvale GC and \$1.00 for Sunken Gardens GC. In the first full year (FY05/06) fees would result in revenue far exceeding the targeted 5% of the costs for this service. However, at nominal risk of negative impact to play, an additional 5% of service costs at both golf courses could be accomplished if Council determined to further increase the Tournament Fee at Sunnyvale GC from \$2.00 to \$2.50. In consideration of market conditions and position of Sunken Gardens GC, staff recommend against increasing the Tournament Fee above \$1.00 at Sunken Gardens GC in FY 04/05.

**DESCRIBE THE EFFECTS ON THE OUTCOME STATEMENT AND OUTCOME MEASURES
AT EITHER THE PROGRAM AND/OR SERVICE DELIVERY PLAN LEVEL**

PROGRAM**CURRENT OUTCOME STATEMENT****PROPOSED OUTCOME STATEMENT**

NO CHANGE	NO CHANGE
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BUDGET SUPPLEMENT FORM - Fiscal Year 2004/2005Service Number: DPR-55 & 70Service Description: Tournament Services - Sunnyvale & Sunken Gardens Golf Courses**OUTCOME OR PERFORMANCE MEASURES**

MEASURE	NO.	CURRENT	PROPOSED
NO CHANGE			

SERVICE DELIVERY PLAN (SDP)**CURRENT OUTCOME STATEMENT****PROPOSED OUTCOME STATEMENT**

NO CHANGE	NO CHANGE

OUTCOME OR PERFORMANCE MEASURES

MEASURE	NO.	CURRENT	PROPOSED
NO CHANGE			

ACTIVITIES/PRODUCTS

DESCRIPTION	ACTIVITY #	PRODUCT TYPE	PRODUCT
Tournament Services - Sunnyvale	645410	Tournament Conducted	320
Tournament Services - Sunken	645810	Tournament Conducted	280